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Attorneys for Defendants Diehl, Elliott-Blakeslee, Gulick, Miller, and Vargo

IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF OREGON

PAUL JOHN REID DAWSON,

Plaintiff,

v.

DR. JOHN VARGO; DR. ELLIOTT  
BLAKESLEE; DR. DIEHL; DR. GARTH  
GULICK; HEIDI MILLER, NP; JANE DOE,  
Nurse; JANE DOE II,

Defendants.

Case No. 2:12-cv-02344-SI

NOTICE OF SETTLEMENT

Pursuant to ORS 17.095, the State notifies the court that this action has been settled pursuant to the terms of a Settlement Agreement and Release, a copy of which is attached

as Exhibit 1.

DATED March \_ 23\_\_, 2015.

Respectfully submitted,

ELLEN F. ROSENBLUM  
Attorney General

s/ Robert E. Sullivan

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SETTLEMENT AGREEMENT AND  
RELEASE OF CLAIMS

This action is currently pending in United States District Court, Case No. 2:12-cv-02344-SI.

Plaintiff Paul John Reid Dawson (hereinafter "Plaintiff") is represented by attorney Michael R. Fuller, . Defendants Diehl, Elliott-Blakeslee, Gulick, Miller, and Vargo (hereinafter "State of Oregon") are represented by Robert E. Sullivan, Senior Assistant Attorney General. The parties have agreed to settle this matter, the terms of which are set forth in this Settlement Agreement and Release of Claims (hereinafter "Agreement").

(a) As and for Defendant's consideration for the settlement of this matter, Defendants *ex rel.* State of Oregon shall pay the sum of Ten Thousand Dollars (\$10,000.00). In addition, Defendants will reverse (zero-out) and deem satisfied the balance of medical on Plaintiff's inmate trust account, in the sum of \$6,768.64. This consideration is inclusive of all claimed and unclaimed damages (economic, noneconomic, punitive, or compensatory damages) attorney fees, costs and all forms of liens (medical, hospital, PIP, Medicare or attorney liens), the receipt of which is hereby acknowledged by Plaintiff, for himself and for his heirs, executors, administrators, successors and assigns, and all those in interest with him do hereby release, acquit and forever discharge the State of Oregon, and all those in interest with it, including its heirs, successors, trustees, administrators, assigns, officers, current and former employees, attorneys, insurers, agents and all other persons, firms, state or federal agencies, departments, institutions or corporations, liable or who might be claimed to be liable, none of whom admits liability, but each of whom expressly denies liability (hereafter Released Parties), of and from any and all claims whatsoever which exist through the date of this Agreement, including but not limited to all demands, actions, suits, causes of action, obligations, controversies, debts, costs, attorney fees, expenses, all form of damages, damages, losses, judgments, orders, liens and liabilities of any, every and whatever kind or nature, whether in law, equity, or otherwise, whether based in contract, tort, statute, regulation, tariff, rule, indemnification, contribution, or any other theory of recovery, whether known or unknown, whether suspected or unsuspected, and whether or not concealed or hidden, which have existed or may have existed, or which do exist or which hereafter shall or may exist, based on any facts, events, or omissions that in any manner or fashion relate to or arise out of Plaintiff's claims with the Released Parties. This includes any and all of Plaintiff's damages, including any damages, injuries and claims which are not anticipated or which develop in the future, and Plaintiff hereby expressly waives and relinquishes any and all rights under any law or statute to the contrary. This release includes any



claim arising from the negotiation and execution of this Agreement, including fraud in the inducement.

(b) The State of Oregon has received clearance from Medicare that there are no applicable liens in this case. Accordingly, Defendants' requirement under 42 U.S.C. § 1395y of receipt of a Medicare Final Demand Letter is already satisfied.

(c) As and for Plaintiff's consideration for the settlement of this matter, Plaintiff accepts the consideration set forth in paragraphs 3(a) through 4 of the Agreement; Plaintiff discharges Defendants ("Released Parties") from any obligations for any claim, known or unknown, arising out of any failure of Released Parties to provide for a primary payment or appropriate reimbursement to Medicare pursuant to 42 U.S.C. § 1395y(b)(3)(A).

(d) The Plaintiff, by his signature below, acknowledges that he understands this settlement may impact, limit or preclude Plaintiff's right or ability to receive future Medicare benefits arising out of the injuries alleged in this lawsuit, and nevertheless wishes to proceed with the settlement.

(e) Plaintiff further agrees that he shall execute and deliver to the State of Oregon copies of all documents or agreements and do such further acts and things as the State of Oregon may reasonably request when necessary to effectuate the purposes of the Agreement, including but not limited to providing copies of all documents between Plaintiff and Medicare regarding the reduction in the amount owed Medicare for Conditional Payments, either for financial hardship, equity and good conscience, or due to procurement costs, or any other reason.

Should any person or entity not a party hereto challenge the validity of this Agreement, or any term thereof, pursue recovery of monies from the Released Parties or bring a claim or claims against the Released Parties arising out of 42 U.S.C. § 1395y(b) related to payment for items or services related to the injuries claimed in this action, Plaintiff shall provide to Released Parties such cooperation and assistance as Released Parties may reasonably request

in order to resist such a challenge or defend such a claim and Plaintiff further agrees to defend, indemnify and hold the Released Parties harmless from any and all such claims of any nature.

(f) Plaintiff acknowledges that all subrogation and lien claims arising out of contract or under state or federal law, including, but not limited to, subrogation or lien claims of Plaintiff's health care providers, insurance carriers (including PIP), state workers' compensation, attorneys, and any federal agency or programs such as Medicare, Medicaid, or Social Security, are the sole and separate obligation of Plaintiff which Plaintiff agrees to pay or otherwise resolve. Plaintiff further hereby covenants to defend, indemnify and hold harmless the Released Parties from and against all such lien and subrogation claims brought against the Released Parties.

Plaintiff agrees to dismissal of the pending litigation with prejudice authorizing his attorney to execute a Stipulated General Judgment of Dismissal with Prejudice as to all parties and without costs or attorney fees awarded to any party.

As evidenced by his signature below, Plaintiff hereby declares that he has read this release and that it is fully understood and voluntarily accepted by him for the purpose of making a full, final and complete settlement, adjustment and compromise of any and all claims, including those arising out of the incident described above, in whatever legal form or theory he might assert the same, whether disputed or otherwise, and in particular including, but not limited by, those matters asserted, or which might have been asserted, in the civil suit identified in paragraph 1.

The parties to this Agreement agree that no party warrants or represents how the United States Internal Revenue Service ("IRS"), the Oregon Department of Revenue, or other governmental authority will treat the payment described in paragraph 3(a) for tax purposes, and agree that no further payment of money from Released Parties will be due in the event that the payments or the release of the claims embodied in this Agreement or any portion thereof is found by the IRS, the Oregon Department of Revenue, or other governmental authority to be, or result



in, taxable income to any party. *The State of Oregon, as part of its reporting requirements, may have to communicate with the IRS, including submitting IRS form 1099. The State of Oregon reserves the right to respond to inquiries by said authorities and to make any additional disclosures requested by the governmental authority or as required by law.* Plaintiff agrees to defend, indemnify, and hold harmless Released Parties from any and all manner of liability if any should be imposed on Released Parties regarding the payment to Plaintiff under this Agreement specified above. Upon receipt of written notification from the State of Oregon that such liability has been imposed by the IRS, the Oregon Department of Revenue, or any other governmental authority and the amount thereof, Plaintiff agrees to fully remit such monies to the demanding entity within thirty (30) days from his receipt of such notification or upon any such terms as the demanding entity may permit. Plaintiff understands that he is solely responsible for the tax consequences of the payments outlined above in paragraph 3(a). Plaintiff agrees not to hold any other party to this Agreement responsible for taxes due and recognizes that he is solely responsible for any resultant tax payments associated with this release.

As evidenced by his signature below, Plaintiff represents that he has relied on his own judgment and advice of his own attorney in making this settlement, and that no representations have been made to him by the Released Parties, defense counsel, or State Defendant(s) or their insurer and/or the Department of Administrative Services (Risk Management) personnel.

The parties understand and agree that this Agreement represents a full, complete and final compromise, satisfaction and resolution of all of Plaintiff's disputed claims, and Plaintiff acknowledges that he relinquishes his claims voluntarily and knowledgeably.

As evidenced by his signature below, Plaintiff understands and agrees that this settlement is not to be construed as an admission or proof of any liability or fault whatsoever on the part of the Released Parties, or any other officer, agent or representative of the State of

Oregon, and he expressly agrees that he will not characterize it otherwise to any third party at any time, under any circumstances.

As evidenced by his signature below, Plaintiff acknowledges that this Agreement is intended to include and does include all claims against any Released Party not only for all known injuries, losses, and damages, but any further injuries, losses, and damages not now known or anticipated but which may later develop or be discovered, including all effects and consequences thereof. Plaintiff further acknowledges by his signature below that it is his intention in the execution of this Agreement, that it shall be an effective and a full and final settlement of, and bar to each and every claim which he may hereafter have against the Released Parties that arise out of or relate to the civil proceedings identified in paragraph 1 above or that could have been asserted as part of such proceedings.

As evidenced by his signature below, Plaintiff further acknowledges if he hereafter discovers facts different from or in addition to the facts which he now knows or believes to be true with respect to the subject matter of this Agreement, it is nevertheless his intention to hereby settle finally any and all claims which now exist or which hereafter may exist between him and the Released Parties arising out of or relating to the civil proceedings identified in paragraph 1 above. In furtherance of such intention, the release herein shall be and will remain in effect as a release, notwithstanding the discovery of any such different or additional facts.

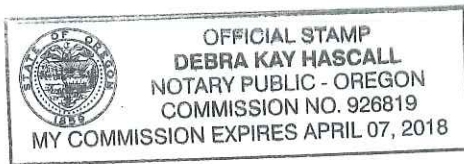
DATED this 26<sup>th</sup> February 2015 day of ~~2/20/2015~~.




**PAUL JOHN REID DAWSON**  
Plaintiff

Subscribed and sworn to before me this 26<sup>th</sup> February 2015 day of ~~2/20/2015~~, in the State of Oregon, County of Umatilla

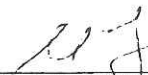





  
Notary Public for Oregon  
My commission expires: 4-7-2018

**APPROVED AS TO FORM:**

DATED this 19<sup>th</sup> day of <sup>9</sup>2/20/2015.

  
Michael R. Fuller, OSB #093570  
Attorney for Plaintiff

DATED this 10<sup>th</sup> day of <sup>March</sup>2/20/2015.

  
Robert E. Sullivan, OSB #983539  
Senior Assistant Attorney General  
Attorney for Defendant State of Oregon